

Department of the Army Corps of Engineers Northwestern Division P.O. Box 2870 Portland, OR 97208-2870	Department of Commerce NOAA, National Marine National Fisheries Service 7600 Sandpoint Way, NE BIN C 15700, BLDG 1 Seattle, WA 98115	Department of the Interior U.S. Fish and Wildlife Service, Region I 911 NE 11 th Avenue Portland, OR 97232	U.S. Environmental Protection Agency, Region X 1200 6 th Avenue Seattle, WA 98101
--	---	---	---

DATE:

TO: Pete Gibson, COE Brad Daly, COE Tom Mueller, COE Larry Evans/Don Borda, COE Jim Reese, COE Karen Kochenbach, COE Theresa Rabot, FWS Jana Grote, FWS Jay Watson, FWS Kemper McMaster, FWS Jeff Foss, FWS Susan Martin, FWS Ken Berg, FWS Patrick Sousa, FWS	Mike Crouse, NMFS Michael Tehan, NMFS David Mabe, NMFS Steve Landino, NMFS Cathy Tortorici, NMFS Russ Strach, NMFS Rick Parkin, EPA John Malek, EPA John Olson, EPA Yvonne Vallete, EPA Richard Clark, EPA Gary Voerman, EPA
--	---

SUBJECT: Amendment to the May 9, 2002 Joint Agency Memorandum with Respect to Coordination of Regulatory Programs

We, the Northwest Regional Executives for the U.S. Fish and Wildlife Service (FWS), the National Oceanic and Atmospheric Administration's (NOAA) National Marine Fisheries Service (NOAA Fisheries), the U.S. Environmental Protection Agency (EPA), and the U.S. Army Corps of Engineers (COE) are hereby amending the May 9, 2002 interagency memorandum concerning coordination of our Regulatory programs (2002 memorandum) and renewing our commitment to jointly improve the effectiveness and efficiency of our permitting and consultation processes. The purpose of this memorandum is to notify all involved staff of new and continuing interagency actions to improve coordination affecting important natural resources in the Pacific and inland Northwest. At our June 2004 meeting, we agreed that the 2002 memorandum should be amended to focus our efforts and emphasize our priorities.

We are pleased with the progress to date in the permitting and consultation programs. For example, effective interagency teams have been put into place and have developed many actions to streamline environmental compliance, such as the Standard Local Operating Procedures for Endangered Species (SLOPES) which is being routinely used to expedite reviews and decision making. Additionally, improved accountability strategies such as the permit tracking system with links to FWS and NOAA have been established to improve public access to agency actions. The

SUBJECT: Amendment to the May 9, 2002 Joint Agency Memorandum with Respect to Coordination of Regulatory Programs

results of these efforts are apparent through a reduction in inquiries to higher levels of the organizations, fewer questions from our customers, and compliments from applicants and Congressional staff on the internet access to determine status of pending requests. We thank you for your efforts thus far, and expect more progress in our efforts to continuously improve our services. We challenge you to seek opportunities for increased improvements.

We recognize the need to periodically update interagency regional priorities to ensure effective and efficient vertical and horizontal alignment of our interdependent programs and make best use of our limited resources. Specific areas of increased regional emphasis for 2005 include, but are not limited to:

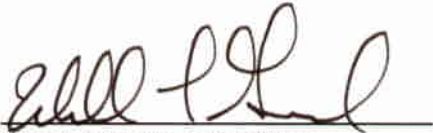
1. Guiding the development of a regional sediment evaluation framework (SEF) and a consistent approach for the region;
2. Developing additional permit and consultation efficiencies such as programmatic tools which expedite decision making;
3. Increasing the use of the dispute resolution procedures agreed to January 9, 2003, for the permit/consultation programs, and applying these same procedures in the navigation/dredging programs. The elevation process has been an underutilized tool thus far, and we encourage interagency staff and managers to promptly elevate disagreements which are not able to be resolved at the field level;
4. Establishing annual regional priorities by the Steering Teams in coordination with all other Tiers; and
5. Reporting progress at annual meetings held with the Regional Executives.

To assist us in advancing these emphasis areas, we have established two new interagency regional teams for coordination of activities: the Navigation Steering Team (Tier 2) and the Senior Managers team (Tier 3). These two new teams, in conjunction with the existing regional and State interagency teams for permitting and Endangered Species Act (ESA) consultation issues, will facilitate resolution of technical challenges involving sediment and promote enhanced policy coordination. Enclosure 1 depicts the organizational relationships to be established and enhanced in Tiers 2 and 3. Enclosure 2 is a roster identifying interagency team members at the regional level in Tiers 2 and 3. Enclosure 3 is the dispute resolution procedures agreed to on January 9, 2003, established for the Permitting/Consultation programs which we intend to also apply to the Navigation/Dredging programs.

We expect that you will work with your staff and those of the other agencies to ensure that we implement our respective environmental programs in an integrated, predictable, and coordinated

SUBJECT: Amendment to the May 9, 2002 Joint Agency Memorandum with Respect to Coordination of Regulatory Programs

manner consistent with regional priorities. Your continued cooperation and assistance are needed to realize our regional goals, and we look forward to the improved relationships and processes which we expect will result from this action. Questions on this amendment should be directed to Karen Kochenbach (Permitting) or Jim Reese (Navigation) at the COE; or Russell Strach (NOAA Fisheries), Patrick Sousa (FWS), or Gary Voerman (EPA).



WILLIAM T. GRISOLI
Brigadier General, U.S. Army
Division Engineer



RONALD A. KREIZENBECK
Acting Regional Administrator
U.S. Environmental Protection Agency



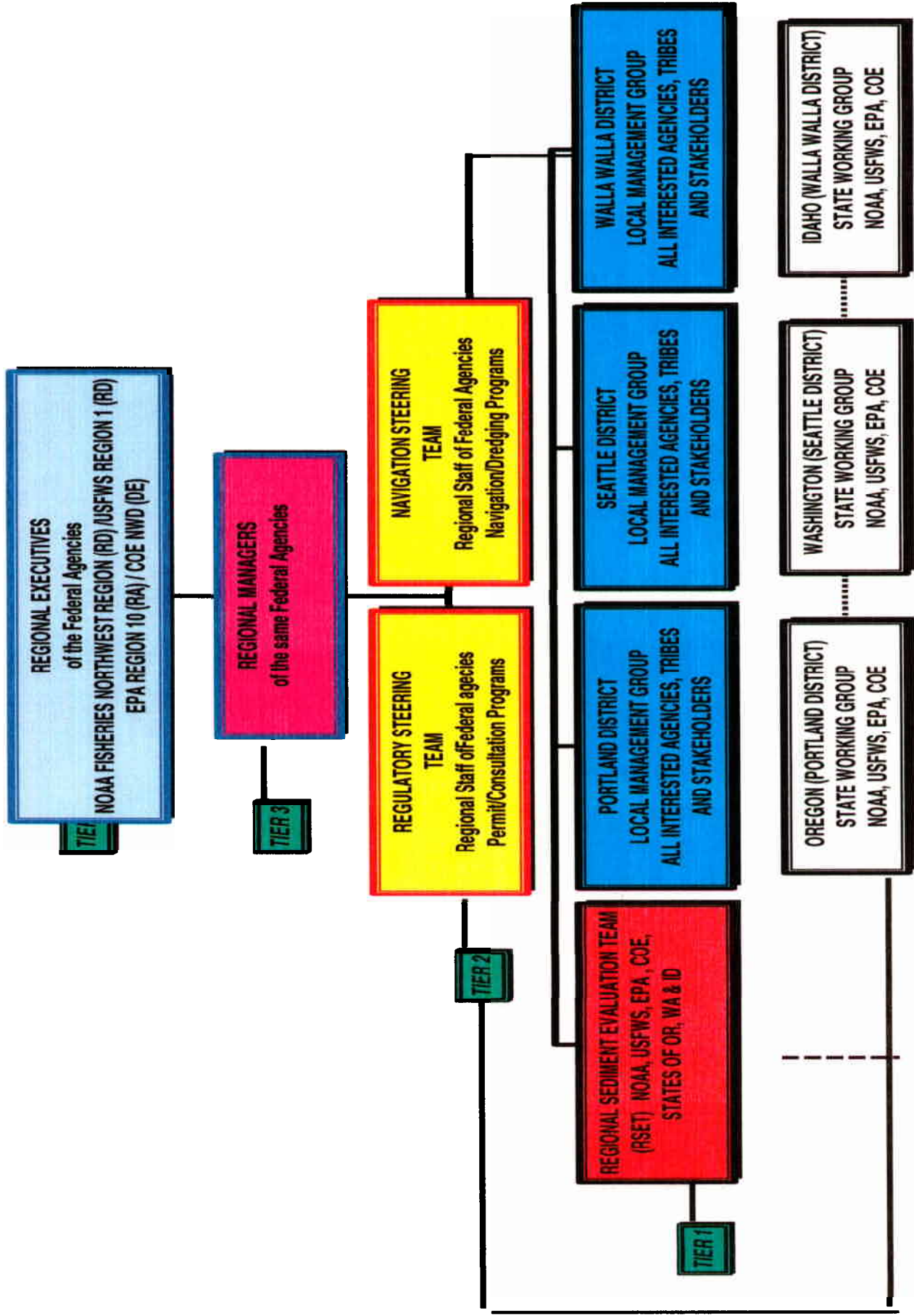
For: DAVID B. ALLEN
Regional Director
U.S. Fish and Wildlife Service
U.S. Department of Interior



D. ROBERT LOHN
Regional Administrator
National Oceanic and Atmospheric
Administration Fisheries
U.S. Department of Commerce

Enclosures:

- 1 - Organization structure (Interagency Tiers)
- 2 - Membership of Regional Tiers (Tiers 2 & 3)
- 3 - Dispute Resolution process (January 9, 2003 memorandum)



Regional Interagency Team Membership

Tier 3: Senior Managers

FWS – Terri Rabot
NOAA - Mike Crouse
EPA – Rick Parkin
Corps – Pete Gibson

Tier 2: Steering Teams

Navigation Steering Committee:

FWS – Jay Watson
NOAA – Cathy Tortorici
EPA – John Malek
Corps – Jim Reese

Regulatory Steering Committee:

FWS – Pat Sousa
NOAA – Russ Strach
EPA – Gary Voerman
Corps – Karen Kochenbach

Department of Army
Corps of Engineers
Northwestern Division
P.O. Box 2870
Portland, Oregon
97208-2870

Department of Commerce
NOAA Fisheries
National Marine Fisheries
7600 Sandpoint Way, NE
BIN C 15700, BLDG 1
Seattle, WA 98115

Department of the Interior
U.S. Fish and Wildlife
911 NE 11th Avenue
Portland, Oregon 97232

U.S. Environmental
Protection Agency
Region 10
1200 6th Avenue
Seattle, WA 98101

DATE: January 9, 2003

TO: Managers, Supervisors, Branch Chiefs, and Project Leaders and Staff

SUBJECT: Permitting/Consultation Efficiencies and Dispute Resolution

In our May 22, 2002 interagency letter we committed to establish an interagency dispute resolution process that was well coordinated with regional and field office staffs. In keeping with this commitment, we discussed a draft dispute resolution process at the September 10, 2002 meeting, expressed our overall support for it and asked that it be prepared in final form for the January 2003 meeting. The final dispute resolution process is attached and we are directing each agencies' managers and staff to carefully review it and ensure that it is implemented in the same collaborative spirit in which it was developed.

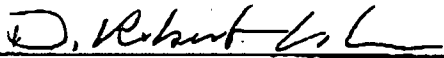
We believe full implementation of the dispute resolution process will result in increased permitting and consultation efficiency and predictability. If you have any questions with the process, please contact your respective Steering Team Member (Gabriella Lang or Russ Strach NOAA Fisheries, Richard Hill FWS, Gary Voerman EPA, and Karen Kochenbach or Larry Evans COE).



David A. Fastabend
Brigadier General, USA Commanding



Anne Badgley
Regional Director
Region 1, U.S. Fish and Wildlife Service



D. Robert Lohn
Regional Administrator
NOAA Fisheries Northwest Region



John Iani
Regional Administrator
Region X, Environmental Protection Agency

Attachment

Enclosure 3

Permitting/Consultation Efficiencies and Dispute Resolution

*National Marine Fisheries Service (NOAA Fisheries)
U.S. Fish and Wildlife Service
U.S. Army Corps of Engineers
Environmental Protection Agency*

Introduction:

The Regional Executives representing the National Marine Fisheries Service (NOAA Fisheries), U.S. Army Corps of Engineers (COE), U.S. Fish and Wildlife Service (FWS), and Environmental Protection Agency (EPA) signed a May 22, 2002 interagency letter to their staffs to improve the effectiveness and efficiency of interagency regulatory processes. One important initiative highlighted in the letter and discussed during their May 22, 2002 meeting was development of a dispute resolution process. The Regional Executives May 22, 2002 letter stated:

"We will establish dispute resolution processes (or refine existing ones) to provide timely resolution of differing opinions at different staff levels. The interagency steering team will develop draft procedures with input from regional and field staff and provide its recommendations on or before September 10, 2002."

The four tiered process described below has been developed and modified from streamlining/dispute resolution strategies implemented: (1) among NOAA Fisheries and FWS with USFS and Bureau of Land Management; (2) between NOAA Fisheries and FWS; (3) among NOAA Fisheries, FWS, and EPA in a draft regional agreement; and (4) among NOAA Fisheries, FWS, COE, and EPA which include 404(q) procedures under the Fish and Wildlife Coordination Act (FWCA) for species not listed as threatened or Endangered under the Endangered Species Act (ESA). The four tiered dispute resolution process described below relies on strengthening interagency project and program review procedures by forming hierarchical teams, increasing permit and consultation predictability by defining roles and responsibilities for each team, and quickly elevating disputes by including time lines for issue resolution or elevation.

Process:

Tier 1 - Project Teams: For each priority project (consultation or coordination) the State-Based Management Team will identify/assign appropriate field or program staff from each agency. To the greatest extent possible each agency will seek to develop subject matter experts in each state to improve interagency understanding of each agencies' authorities. For example, NOAA Fisheries and FWS will seek to develop a few individuals with in-depth expertise in implementing the Rivers and Harbors Act, the Clean Water Act, and issuance of section 404 permits. Similarly, the COE will develop a staff pool with ESA expertise and in development of biological evaluations/assessments. EPA will be invited to participate in project-level teams for

priority actions. The purpose of focusing coordination and consultation work to a few individuals in each state is to build and establish a regional cadre of staff that better understand each agencies' authorities and can function more efficiently. Project teams will:

- A. Review priority actions during early development stages, identify opportunities to benefit listed species and their habitat, and ways to reduce or avoid adverse effects;
- B. Lead the development of biological evaluations/assessments and biological opinions where appropriate, develop and carry out third party contracts;
- C. Identify and agree on information needs and the scale of BE/BAs;
- D. Review and provide preliminary agreement¹ on effects determinations;
- E. Promptly elevate disagreements² to the Team Leader Level, no more than 25 calendar days after project staff have identified a disagreement;
- F. Monitor implementation of reasonable and prudent measures and terms and conditions in Opinions; and
- G. Work to integrate the ESA with the Rivers and Harbors Act and the Clean Water Act to avoid unnecessary analysis or delays.

Tier 2 - Team Leader Level: Each state will create a dispute resolution tier between the project team and State-based Management Team. Tier 2 teams will be comprised of NOAA Fisheries Team Leaders, Environmental Analysts/ESA Coordinators for the COE, and FWS ESA Coordinators or Supervisors. EPA will be invited to participate in any dispute resolution actions involving Tier 2. The duties and responsibilities of the Team Leader Level Teams are to:

- A. Within 10 calendar days of the date the issue is elevated to Tier 2 (35 calendar days of the date of the elevation), the Team Leaders of each respective agency will have either a teleconference call or an in-person meeting to discuss the issue and work towards resolution.
- B. If specialized assistance is needed, the Team Leaders may ask others to participate in the meeting (e.g. staff, ESA Coordinators, agency fish and wildlife experts, etc).
- C. If the Team Leaders are unable to resolve the issue within 25 days (50 calendar days of the date of elevation), the issue will be elevated to Tier 3.

Tier 3 - State-Based Management Teams: One State-based Management Team will be formed for each state and will consist of NOAA Fisheries, FWS Branch Chiefs/Project Leaders, COE District Managers, and EPA Operation Office Directors. The teams will be supported by members of the Regional Coordinating Team and others as needed to fulfill the teams' duties. The duties and responsibilities of the State-based Management Teams are to:

¹ Preliminary agreement is achieved when the project-level team reaches consensus that the BE/BA contains sufficient information to initiate a section 7 consultation under the Endangered Species Act.

² A disagreement can be elevated by providing an overview of the proposed action, a brief interagency description of the unresolved issues, and an opportunity for each agency representative to provide their perspective.

- A. Assess the potential workload in their respective state and develop an annual work plan to allocate staff and funding to address the state workload;
- B. Assign project team members and ensure they have adequate resources and time to complete their duties;
- C. Identify time frames for completing projects and monitor performance of project teams;
- D. Resolve project team disagreements or promptly elevate disagreements to the Regional Executive Team, no more than 25 days after the elevation is received from Tier 2 (75 calendar days after the date of the elevation), and
- E. Meet at least semi-annually to carry-out the team's duties in addition to frequent e-mail and voice communication.

Regional Steering Team: The Northwest will have one Regional Coordinating team and will consist of senior policy staff, regional program supervisors, or their designees. The Regional Coordinating Team is comprised of regional representatives from NOAA Fisheries, FWS, COE, and EPA. The purpose of this team is to:

- A. Draft regional policy, guidance, and overall consultation strategies and regional priority development;
- B. Support State-based Management Teams in setting priorities, developing annual work plans consistent with regional priorities, and resolving disputes;
- C. Help elevate and frame elevated disputes to the Regional Executive Team;
- D. Train agency personnel on the ESA, Rivers and Harbors Act, and Clean Water Act; and
- E. Track key projects across the region and ensure team structure and elevation procedures are being implemented.

Tier 4 - Regional Executive Team: The Northwest will have one Regional Executive Team (comprised of the Services' Regional Executives and the Assistant Regional Executives, EPA Office Director, and COE Senior Executives). The functions described below may be addressed by either the Regional Executive or their designee depending on the nature of the issue. The purpose of this team is to:

- A. Approve regional policies, guidance, and consultation strategies and priorities developed by the Regional Coordinating Team;
- B. Resolve disputes that are elevated by the State-based Management Teams or elevate unresolved issues for Headquarters review, no more than 25 days after receipt of the elevated issue (100 calendar days after the date of the elevation); and
- C. Work to secure adequate funding and staffing to review and implement permits and conduct ESA consultations.



US Army Corps
of Engineers
Northwestern Division

NWD Regional Business Center

It's Your Business

**HQNWD moves
Dec. 18-19**

to
**Suite 500
1125 NW Couch St.
Portland OR 97209**

**PO Box 2870
Portland OR 97208**

**Post office box and
phone numbers will
remain the same.
Fax numbers may
change.**

**Card access or visitor
badge required.**

Regional dredging effort exemplifies collaboration

Innovation, partnership and collaboration have long characterized Northwestern Division's effort to deal with dredging and sediment management issues in the Pacific NW.

Like a multi-tentacled sea creature, the reach of the regional effort continues to grow. According to NWD navigation and environmental specialist, Jim Reese, the most visible and successful efforts include the formation of a Regional Dredging Team, a Regional Sediment Evaluation Team, a Regional Sediment Management business process, and a Pacific Navigation Community of Practice.

Regional Dredging Team

Originally chartered as a national dredging team in 1995 with other federal agencies (Corps, EPA, NOAA Fisheries, USFWS, USDOT's Maritime Administration), each agency formulated individual regulations to implement the national team and called for additional ways to elevate issues through Regional Dredging Teams.

(Continued on page 3)



Kevin Crum, NWW Project Engineer, discusses final details of the almost-completed removable spillway weir with Steve Wright, BPA Administrator, Bob Lohn, NOAA Fisheries Regional Administrator, Karen Durham-Aguilera, Director of Program Management and BG Grisoli, NWD Commander. The Federal Executives met with reporters to discuss the structure and its potential benefits on regional fisheries efforts.

Regional Execs snow off new spillway weir for fish

A crowd of area reporters gathered Nov. 16 in Vancouver, Wash., to see the latest in juvenile fish bypass construction. Known as a removable spillway weir (RSW), the 1.7 million pound steel "fish slide" is designed to provide safer and speedier passage of young fish at Ice Harbor Dam on the Lower Snake River.

The \$12.5 million structure requires less spill while providing a 98 percent survival rate through the dam. The spill reduction at Ice Harbor is expected to be about 50 percent, while the spill reduction from an earlier weir installed at Lower Granite in 2001 averages 25 percent. The new weir will be moved up river in 2005 and tested in the spring and summer. The Corps plans to install five more RSWs at Columbia and Snake river dams by 2015.

States to deal with single district on regulatory policy

An initiative to designate a Lead District for Regulatory Program administration was announced in mid-November by the Assistant Secretary of the Army for Civil Works, John Paul Woodley, Jr.

Each of 18 states having multiple USACE districts with regulatory responsibilities will now deal only with one Corps district on issues involving consistent statewide coordination and implementation. Lead districts will also involve the respective MSC and HQUSACE regulatory Communities of Practice. All districts in a state, however, will continue to render permit and enforcement decisions with full Regulatory Program authority.

USACE coordinated the Lead District initiative through the governor's office in each of the 18 states.

Districts make the difference

NWD is top performer

Year end numbers show an excellent performance in execution of appropriations in Northwestern Division. According to Dave Brown, Chief of NWD Civil Works Programs, NWD was #1 in the Corps on utilization of available funds in General Investigation (GI) and Construction General (CG) categories.

NWD also had the second highest performance in the use of available funds in the Continuing Authorities Program (CAP). Excess funds were made available early for reprogramming and district contracting offices obligated all last-minute funds to pay contractors for FY04 work.

USACE covered all contract earnings in CG and the RIT worked the requests.

In the MILCON arena, 100 percent of awards were made (33 of 33) in FY04.

NWD Town Hall Update — the way forward

Recounting highlights from the Chief of Engineers Transition Conference, BG Bill Grisoli, NWD Commander, assured team members that the Corps will continue to be mission-focused and selective in what we do.

The five key mission areas are war-fighting, disaster response, infrastructure, environment and water resources.

To meet those needs, the Chief is looking at standing down certain committees and boards, reshaping the Regional Integration Teams to optimize effectiveness, and looking at a national management board to facilitate strategic decisions, shape future direction, and help determine priorities, value-added activities, and resource allocation.

BG Grisoli also stressed the connectedness of the Corps to the Army. The Army is developing modular, self-sustaining, rapidly deployable units.

"We're Army Builders," he said. "We must understand the big Army's intent and the installation commander's intent and give

them the product they want."

Another area ripe for improvement is in acquisition.

"The Corps is not on the leading edge in capabilities," Grisoli stated. "We need to look at other agencies and the commercial sector in order to be more innovative and better meet customer demands."

High on the Chief of Engineer's list is building and maintaining relationships, particularly by working more closely with partners. The FY 2004-09 Civil Works Strategic Plan further encourages the Corps team to be more collaborative in working with others and to relinquish the idea of always being the lead or in charge.

Lastly, BG Grisoli said that the Chief looks at a number of things when examining a project: cost, quality, safety, timeliness and the environment. There's a renewed focus on delivery and readiness.

"There are no single-purpose projects any longer in the Corps," he said.



Business Management Division
220 NW 8th Ave.
Portland OR 97209

Phone: 503-808-3733
Fax: 503-808-3749
Email: clare.e.perry@usace.army.mil

The RBC newsletter, "It's Your Business," is an unofficial publication authorized under provisions of AR 360-81, published monthly and distributed electronically by the Business Management Office of the Northwestern Division, U.S. Army Corps of Engineers. The views and opinions expressed are not necessarily those of the Army.

Circulation: 5,000.

Commander: BG William Grisoli

Chief, Business Management Division: Kevin Brice

Editor: Clare Perry, Strategic Communications Officer

Synergy that Serves

(Continued from page 1) **DREDGING**

In 2003 a regional team charter was signed to facilitate communication, coordination and resolution of sediment issues among participating federal agencies. Its goal is to ensure dredging in NW waterways is done in a timely, cost-effective and environmentally sustainable manner.

The Corps and EPA serve as co-chairs of the national and regional dredging teams. A three-tiered organization, Tier 1 consists of local teams from Seattle, Walla Walla and Portland districts, including state agencies, ports, tribes and non-governmental agencies; Tier 2 has representatives of each federal, state and tribal agency's senior level operational management; and Tier 3 looks to the six agencies' federal executives for final decisions, approvals and problem resolution.

Regional Sediment Evaluation Team

Sponsored by the Regional Dredging Team, the RSET is a standing team of federal and state sediment experts and managers whose agencies have regulatory responsibilities for managing sediments.

Also co-chaired by the Corps and EPA, the RSET develops sediment evaluation procedures for the region, reviews and advises on related sediment and quality issues, reviews sampling and analysis plans, and supports a regional sediment database.

The team is working to develop a sediment evaluation framework manual and set of standards for the NW region to be ready in Feb, 2005.

Regional Sediment Management

Among the newest of Northwestern Division's regional business processes is the

establishment of a NW Regional Sediment Management (RSM) concept that provides a unified sediment management plan for all watersheds in the Pacific NW region.

In the past, each Corps project worked alone within its project boundaries and budget. Sediments were either passed to the next project downstream, drifted, or were retained.

Under the RSM concept, projects will work together, united by common goals and a regional budget and set of activities coordinated by the NWD Regional Business Center. Sediment becomes a resource (or challenge) for affected districts in the RBC.

Reese said that several RSM demonstration projects are underway, coordinated with the Institute of Water Resources, the Engineering Research and Development Center (ERDC), and the national and regional dredging teams.

The system has ongoing studies and projects that include channel improvement, dredged material management, estuarine restoration, and shoreline stabilization.

According to Reese, the RSM goal is to develop sub-regional and sub-watershed plans that allow connecting all the individual pieces into an overall basin-wide plan for the states of Oregon, Washington, and Idaho.

Have we gone from a district to a regional mindset ?

Has USACE 2012 improved the way we do business?

What could be changed?

Tell us — take the RBC Survey now!